1	the admissibility decision would be made
2	today. So they are still offered in our
3	binders as exhibits from Defendants.
4	JUDGE SIPPEL: Oh. I see.
5	MS. WALLMAN: But as Mr. Rose just
6	said, if Your Honor's ruling extends to the
7	admissibility, the logic extends to the
8	admissibility, which we urge that it should,
9	we would withdraw 17 and 18 assuming that
10	Defendants' DVDs would also come out.
11	JUDGE SIPPEL: Well, I think I'm
12	going to Go ahead. Let me hear briefly on
13	this.
14	MR. COHEN: Your Honor, obviously
15	we think you should look at the program.
16	JUDGE SIPPEL: Obviously.
17	MR. COHEN: So we lost that.
18	Either you're going to look at or not look at
19	it. It's up to Your Honor. I mean that's why
20	we made the motion. We think it would be
21	informative for you. We understand that if
22	ours is coming in theirs are coming in. But

1	we had the same understanding as Ms. Wallman
2	that you had not yet made the decision on
3	this.
4	JUDGE SIPPEL: Well, I'll rule
5	right now. There are no DVDs that have been
6	proffered in this case that are going to be
7	received into evidence and I'm not going to
8	carry them around to go up with the record.
9	Certainly if somebody at the Commission wants
10	to see these DVDs I'm sure that you can get
11	them up to them. But I don't want the record
12	being burdened with it.
13	And it's not to demean the
14	programming. Please understand me. It's just
15	that I can't handle DVDs in the context of
16	this case.
17	(Whereupon, the above-referred to
18	documents were marked for
19	identification as WealthTV
20	Exhibits Nos. 17 and 18, and
21	withdrawn from evidence.)
22	So now we're up to 16, 17, 18.

1	Number 19. We did 19?
2	MR. COHEN: We did 19 and it's on
3	reserve.
4	JUDGE SIPPEL: Okay.
5	MR. COHEN: On 20, Your Honor, we
6	had objected of this picture not being
7	. representative and it seems to me that
8	understanding your ruling on 6 to 11 I assume
9	you're going to overrule our objection. But
10	we do have an objection on it.
11	JUDGE SIPPEL: Let me see what it
12	is. This is number what?
13	MR. COHEN: Twenty.
14	JUDGE SIPPEL: This says
15	WealthTV's Envy. Oh my God. Do we need that?
16	Do we really need that?
17	MR. COHEN: I've made the
18	argument, Your Honor. You can be sure that
19	the programming as a whole does not represent,
20	is not represented in this picture. So it is
21	prejudicial.
22	MR. FELD: It's not a very

attractive picture, Your Honor, but the point 1 is that this is not intended to appeal to 2 3 women. JUDGE SIPPEL: It's what? 4 5 MR. FELD: It's not intended to It's a shot from --6 appeal to women. 7 JUDGE SIPPEL: I see. Now you've I'll tell you got me in a tough spot here. 8 I"ve never seen this one in Germany. 9 (Laughter.) 10 Maybe I don't go to the right 11 12 I'm not saying it doesn't exist places. there, but it's not on the front page of Das 13 Bild. All right. I'm just going to reject 14You can keep it in the record if you 15 16 want as an improperly rejected exhibit, but I just find it so distasteful and I know what 17 you're getting at. I know what you're talking 18 about. But can I take judicial notice that 19 20 that would not appeal to women very much? don't even know that. So what can I say? 21

(Whereupon, the above-referred to

1	document was marked for
2	identification as WealthTV Exhibit
3	No. 20, and rejected from
4	evidence.)
5	MR. COHEN: I'm at a loss, Your
6	Honor.
7	JUDGE SIPPEL: It's the first time
8	today.
9	MR. SCHONMAN: Your Honor, is your
10	ruling that it's not received? Yes, I'm
11	rejecting it.
12	MS. WALLMAN: And, Your Honor, the
13	grounds?
14	JUDGE SIPPEL: The grounds for
15	rejecting, I'm rejecting it under Let me
16	see. I have the right number. Excuse me
17	while I go to my numbering copy of the Rules
18	of Evidence, 403 even though it might be
19	relevant. Okay.
20	MR. SCHONMAN: Your Honor, would
21	this be cumulative since I think you've
22	already received Exhibit 10?

1	JUDGE SIPPEL: Yes, cumulative and
2	I mean as I say that's what it is. It will be
3	marked for identification and it can go up on
4	appeal, but it's not going to be used in this
5	courtroom. Okay. Let's go.
6	MR. COHEN: Twenty-one, Your
7	Honor, is one of the ones you reserved.
8	JUDGE SIPPEL: That's being
9	reserved, yes.
LO	MR. COHEN: Twenty-two, Your
1	Honor, we have a hearsay objection. Again,
12	this is the same fundamental point. Mr.
L3	Herring is not competent as a witness to
4	sponsor In DEMAND press releases. I mean it's
15	just a newspaper article or I guess it's a
۱6	press release.
7	JUDGE SIPPEL: Who wants to speak
8 }	to this on the other side?
ا 19	MR. ROSE: It's a statement by In
20	DEMAND, Your Honor. Press releases are
21	fundamentally different from a report. Is
22	that what somebody said? It's a statement by

1	the company. I don't think anyone is
2	disputing the issue of this press release.
3	There are number of them.
4	The Herrings in fact do look at
5	the press releases in the course of their
6	business in figuring out what their
7	competitors are doing and what's going on. In
8	fact, he found out that Mojo was being
9	launched from a press release and that was the
10	seed for this hearing. It's an important
11	source of information to him. His testimony
12	relies on information he found out from press
13	releases and I don't think the reliability is
14	defense of it. It's not really disputed that
15	he did.
16	JUDGE SIPPEL: Isn't this a I'm
17	going to ask Mr. Cohen. Isn't this a business
18	record?
19	MR. COHEN: But not of a party,
20	Your Honor.
21	JUDGE SIPPEL: No?
22	MR. COHEN: No.
	1

1	JUDGE SIPPEL: Who prepared it?
2	MR. COHEN: In DEMAND. In Demand
3	is not a party. This is our fundamental issue
4	that we're having. We're not objecting to
5	business records of Time Warner or Comcast or
6	Cox or Bright House. In DEMAND is not a
7	party. They're not represented.
8	JUDGE SIPPEL: All right. I
9	understand that. But In DEMAND is constituted
10	on the four Defendants. Isn't that correct?
11	MR. COHEN: That does not There
12	is case law on this and it's actually
13	addressed in our in limine motion. There's a
14	Supreme Court on this.
15	JUDGE SIPPEL: Yes.
16	MR. COHEN: Which says that unless
17	you can demonstrate an agency relationship the
18	fact that you have a minority ownership
19	interest in company does not make that company
20	the same as the shareholder for the purposes
21	of the rules of evidence.
22	JUDGE SIPPEL: Well, I understand

1	Mr. Beckner said that they had a five percent
2	interest.
3	MR. COHEN: Yes.
4	JUDGE SIPPEL: And I thought that
5	between all of you you had 100 percent.
6	MR. COHEN: We do, Your Honor.
7	But not anyone is In DEMAND. In DEMAND has a
8	board of directors. In DEMAND has management.
9	One of the serior managers of In DEMAND is
10	going to be here to testify. He could be
11	cross examined about In DEMAND documents. But
12	they don't come in as admissions.
13	JUDGE SIPPEL: I didn't say it was
14	coming in as an admission. I said it was a
15	business record.
16	MR. COHEN: Well, I think, Your
17	Honor, the hearsay for the hearsay
18	exception for business records you applied, as
19	I understand it, it has to be a business
20	record of a party, not a business record of a
21	
22	JUDGE SIPPEL: You're right. I'm

bending that. I would be bending that a bit 1 and I want to see the Supreme Court decision 2 before I rule that this is exactly what they 3 were intending. But I'm not going to -- Don't 4 get it for me because I'm going to read it. 5 Your Honor, if I may MR. ROSE: 6 7 address that issue. JUDGE SIPPEL: Yes, sir. 8 MR. ROSE: The question of hearsay 9 in an administrative proceeding as we said 10 towards the beginning of this FCC proceedings, 11 the DC Circuit said itself hearsay is allowed. 12 The rules should be relaxed. This is not an 13 admission of a party opponent. To the extent 14 it's a business record, it's a business record 15 16 of Mr. Herring. In DEMAND is a consortium. We're 17 saying that we believe the Defendants acted in 18 concert in many ways because of their interest 19 in In DEMAND, but In DEMAND is a legally 20 separate entity. We're not going to dispute 21

It's an affiliate within the

that point.

meaning of the rules I believe Mr. Feld was levying.

MR. Yes. there is FELD: fundamental justice issue as noted in the FCC Rules with regard to any -- which is because the statute and the nature of regulation we cannot call In DEMAND as a party. The parties for the purposes of this Defendants who case the four are affiliated as is agreed with the programming producer with the programming and by law we can't call In DEMAND.

Now this puts us in the situation where we have here something that was issued by In DEMAND and is publicly available. Its purpose is to explain as Mr. Herring will set forth again why he thinks the facts of the case are available. It is a sort of empty formalism to say "Well, In DEMAND is not here." So he's not competent to read a press release that they issued which everybody in the business would have read and which was the

1

2

3

4

5

6

7.

8

9

10

11

12

13

14

15

16

17

18

19

20

21

basis for the actions in which he will test when it is especially difficult for us when we could never attach In DEMAND as a party because the statute directs the behavior to carriers who refuse to bury or otherwise disadvantage independence in favor of affiliated programming.

JUDGE SIPPEL: Right.

MR. FELD: And therefore I would say we don't think it's hearsay. We think it falls into the exceptions to the extent that it is hearsay. You're allowed to include it and you should include it particularly since it for is have that the purpose we foundational for the witness. It's not -- In the interest of justice, to the extent that it's hearsay, the interest of justice is defined by the FCC rules and past precedent with regarding to this is an FCC hearing says it meant.

MR. ROSE: There is another rule of evidence I would like to cite, Your Honor,

NEAL R. GROSS COURT REPORTERS AND TRANSCRIBERS 1323 RHODE ISLAND AVE., N.W. WASHINGTON, D.C. 20005-3701

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

if I may, 803.17, the Exception for Market Reports and Commercial Publications can only be relied on in the industry. Mr. Herring will testify that he does rely on these kinds of press releases engaging what's going on in the industry.

MR. COHEN: Your Honor, can I respond to a couple points? 803.17 has nothing to do with this. 803.17 is how you get in Dow Jones reports and if we were to brief the question of what comes in under 803.17 and what doesn't come in under 803.17 I'm quite confident and no case has been cited that we're going to find press releases.

Now what Mr. Feld referred to as a empty formalism, I view as the Rules of Evidence and we understand that you have some discretion. But this is the first in what's going to be a series of arguments we're going to have on the exhibits in which they're basically saying "Throw the baby out with the bath water. It's fair."

1

2

4

3

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

Mr. Rose just said it was Mr.

Herring's business record. It can't be Mr. Herring's business record because he read it and put it in his file. I mean we just can't let in all sorts of hearsay just because it's something that he read. He can say that he read it and that's what caused him to act, but

that doesn't make the document admissible and

we should not have a rule here in which every

time we come to something that everyone says

is hearsay the answer is "Well, you can relax

the rules." You can relax the rules, but I

don't think the precedent instructs you to

throw out the rules.

And what we're going to have here is a series of requests saying, "It's not fair. It's in the interest. Just let it in. He read it and it's foundational." We have Rules of Evidence and hearsay rules we're supposed to apply and we do understand that Your Honor has some discretion. But we're not giving up the hearsay rule entirely as far as

WASHINGTON, D.C. 20005-3701

1	we understand.
2	MR. MILLS: If I can answer that,
3	the case that Mr. Rose is talking about, the
4	Echo Star case, I believe that was agency fact
5	finding in general, not an administrative law
6	hearing where the FCC Rules make clear that
7	the Rules of Evidence are supposed to
8	followed.
9	I understand there's some leniency
10	but that does not mean that you throw out as
11	Mr. Cohen has pointed out. That was a
12	decision about whether substantial evidence
13	can include hearsay and agency fact finding
14	generally, not an administrative law hearing
15	which is supposed to be guided by the Rules of
16	Evidence.
17	JUDGE SIPPEL: What's the cite on
18	that case?
19	MR. MILLS: That was the Echo Star
20	case.
21	MR. ROSE: Your Honor, there are
22	several that we've cited. In the surrebuttal,

we've cited the Echo Star which is 292.3749.

There were also some hearing opinions we've cited in the opposition brief. They all go back to a case called Johnson from DC Circuit saying essentially that the rules can be relaxed and certain kinds of hearsay can be admitted. It's essentially discretionary.

JUDGE SIPPEL: Well, I understand that. I mean I know that doctrine and all and it's under basically an APA interpretation. But I think we do have a -- Mr. Cohen is right. We have a defined road, a specific rule, rather at the FCC that says that we do follow the Federal Rules with obviously some discretion to make exceptions. But the Commission's policy is to follow the Federal Rules at least as a starting point which I try to do.

I also as a better way to keep things clean and have specific reasons for why rulings are made instead of going with that "Well, we'll let it in for what it's worth."

NEAL R. GROSS COURT REPORTERS AND TRANSCRIBERS 1323 RHODE ISLAND AVE., N.W. WASHINGTON, D.C. 20005-3701

1.7

MR. ROSE: But the specific nature 1 of these documents because it's not exactly 2 analogous but it's sort of like another job 3 applicant representing what his credentials 4 It's another network representing what 5 its business is, what kind of programming it 6 7 has, what it's doing. The decision makers look at it 8 when they're deciding whom to carry. They're 9 going to look at what's going on with the 10 They're going to look at 11 networks. They're going to look at the press 12 pitches. It's the sort of thing that's 13 reports. considered in these sorts of decisions as a 14 15 point. All right. 16 JUDGE SIPPEL: heard enough on it. Mr. Schonman, do you want 17 to weigh in on this at all? 18 Your Honor, the MR. SCHONMAN: 19 20 only thing I have to say about this is that Mr. Herring probably cannot testify about the 2.1 truth of the matter asserted in this document. 22

But to the extent he read it and formed 1 opinions about whether the items in it were 2 accurate or true, he can certainly testify 3 about his beliefs and his motivations after 4 having read it if they affected him. 5 Because he believed the matters 6 were true and accurate, he can testify about 7 Whether in fact the matters are true 8 and accurate as stated in this document is not 9 something he can testify to. It's not his 10 11 document. JUDGE SIPPEL: Well, that is well 12 I am going to deny the motion -- I'm 13 going to grant the motion to offered this into 14 evidence. 15 (Whereupon, the above-referred to 16 17 document was marked for identification as WealthTV Exhibit 18 No. 22, and received in evidence.) 19 going come 20 It's to business record of In DEMAND and I think 21 there's enough of a connection despite what 22

1	has been argued to me for purposes of a case
2	like this. It certainly is not going to be
3	taken It's not being received for the truth
4	of the matter stated there and it's only going
5	to be received as a document which came out
6	of, you know, which was issued on July 31,
7	2007. I think that's within a relative time
8	frame. Is that the time frame that we're
9.	talking about?
10	MR. ROSE: The application has
11	been an ongoing process, Your Honor. So, yes.
12	JUDGE SIPPEL: Since when?
13	MR. ROSE: I believe 2004.
14	JUDGE SIPPEL: Enough of an
15	overlap. Okay. It has its limits. It has
16	serious limits to it, but I'm going to It
17	also has the element of reliability and I
18	don't think that they would be out a press
19	release that's deliberately false and
20	misleading.
21	All right. I'm going to receive
22	it. Next one.

1	MR. COHEN: Twenty-six, Your
2	Honor, which is a
3	JUDGE SIPPEL: What about 24? Did
4 -	I already rule on 24 and 25?
5	MR. COHEN: I'm sorry. Excuse me.
6	My apologies. Twenty-four, we have no
7	MR. FELD: Twenty-three.
8	MR. COHEN: Twenty-three, we have
9	no objection.
10	JUDGE SIPPEL: Okay. Twenty-three
11	no objection. Good.
12	MR. COHEN: Twenty-four, yes.
13	Your Honor, 24 we actually don't understand
14	what this document purports to be and how it
15	was created.
16	JUDGE SIPPEL: All right. Let me
17	just say that 23 is identified and received
18	into evidence as WealthTV No. 23.
19	(Whereupon, the above-referred to
20	document was marked for
21	identification as WealthTV
22	Exhibit No. 23, and received in

1	evidence.)
2	JUDGE SIPPEL: Now 24 is
3	different.
4	MR. COHEN: We have both a hearsay
5	and a foundational argument. This appears to
6	be somebody's calculation as to what Mojo
7	affiliate fees were paid by the Defendants.
8	JUDGE SIPPEL: It's not your
9	document.
10	MR. COHEN: It's not our document
11	and it was obviously created and this is
12	another example of Mr. Herring converts. So
13	now he's a damages expert.
14	JUDGE SIPPEL: All right. Let me
15	ask the question. Who prepared the document?
16	MR. ROSE: This is another summary
17	by Mr. Herring, Your Honor. We believe it's
18	in the nature of 15, 19, 21, 25.
19	MR. COHEN: Quite different, Your
20	Honor.
21	JUDGE SIPPEL: Okay, and your
22	experts had nothing to do with this. This is

1	all coming out of Mr. Herring.
2	MR. ROSE: Yes, Your Honor.
3	JUDGE SIPPEL: All right. I am
4	going to Again, this is 24, right?
5	MS. WALLMAN: Yes.
6	JUDGE SIPPEL: I'm going to keep
7	this. What was the other category I was
8	doing? I'm going to reserve ruling on this.
9	(Whereupon, the document referred
10	to was marked as WealthTV Exhibit
11	No. 24 for identification.)
12	If you want to show Mr. Herring
12	If you want to show Mr. Herring what it is and how he put it together I'll
	_
13	what it is and how he put it together I'll
13	what it is and how he put it together I'll listen to that up to a point. But he's going
13 14 15	what it is and how he put it together I'll listen to that up to a point. But he's going to have to convince me that this is reliable
13 14 15 16	what it is and how he put it together I'll listen to that up to a point. But he's going to have to convince me that this is reliable for what it's worth. I'm not letting him
13 14 15 16 17	what it is and how he put it together I'll listen to that up to a point. But he's going to have to convince me that this is reliable for what it's worth. I'm not letting him offer an opinion on it. Basically, this is a
13 14 15 16 17 18	what it is and how he put it together I'll listen to that up to a point. But he's going to have to convince me that this is reliable for what it's worth. I'm not letting him offer an opinion on it. Basically, this is a Bob Cratchit document. He sat down and he did
13 14 15 16 17 18 19	what it is and how he put it together I'll listen to that up to a point. But he's going to have to convince me that this is reliable for what it's worth. I'm not letting him offer an opinion on it. Basically, this is a Bob Cratchit document. He sat down and he did it. If he did it accurately and if it has

1	But this is no opinion to me.
2	This is not an opinion. It's either right or
3	wrong and reliable or unreliable. So I'm
4	reserving 24.
5	Twenty-five.
6	MR. COHEN: Twenty-five was in the
7	category you reserved already, Your Honor.
8	JUDGE SIPPEL: All right. Let's
9	do 25 in the reserved.
10	Twenty-six.
11	MR. COHEN: Twenty-six is another
12	example of this is a greatest hits document.
13	There are snippets of hearsay, multichannel
14	news, broadcasting. This is
15	JUDGE SIPPEL: Who did it?
16	MR. COHEN: I assume Mr. Herring
17	did it.
18	MR. ROSE: Mr. Herring.
19	JUDGE SIPPEL: Mr. Herring did
20	this.
21	MR. COHEN: I mean now he's
22	picking and choosing quotes from articles.

1	This isn't evidence. So I have hearsay, best
2	evidence. I have lots of objections to this
3	one.
4	JUDGE SIPPEL: All right. Well,
5	what number is this again?
6	MR. COHEN: Twenty-six, Your
7	Honor.
8	JUDGE SIPPEL: Twenty-six.
9	MS. WALLMAN: Your Honor, can I
10	just point out.
11	JUDGE SIPPEL: Go ahead, Ms.
12	Wallman.
13	MS. WALLMAN: Several of the
14	references here are to In DEMAND press
15	releases and your prior ruling on the Mojo
16	press release may be informative to you here.
17	For example, the second block was taken from
18	a June 14th In DEMAND press release that was
19	released via Business Wire, a service net
20	company used to propagate their press
21	releases.

were going to get into this, there would have 1 2 be -- He would have to be in a position to come up with the actual press release for 3 4 comparison purposes and again I think that-Mr. 5 Cohen described these best as being snippets. The other one was a bonafide press release 6 that comes out in the normal course of 7 This document doesn't come out in business. 8 9 the normal course of anybody's business. MS. WALLMAN: Well, we certainly 10 could supply the full press release. 11 JUDGE SIPPEL: That's what I'm 12 trying to -- That's exactly the point. I mean 13 14 we don't want to get into using this as a device to bring other evidence in and take 15 16 more time. The way this has been prepared and presented to me I'm going to reject it as 17 18 being unreliable. (Whereupon, the above-referred to 19 20 for document was marked identification as WealthTV Exhibit 21 rejected from 22 26, No. and